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the criteria described in paragraphs (b)(1) through (4) of this section, unless VA determines that a longer period is necessary to avoid hardship. No interest will be charged on any part of this indebtedness. A participant will pay such amount if one of the following criteria is met:

- (1) The participant fails to maintain an acceptable level of academic standing:
- (2) The participant is dismissed from the school for disciplinary reasons;
- (3) The participant, for any reason, voluntarily terminates the course of study or program for which the scholarship was awarded including a reduction of course load from full-time to part-time before completing the course of study or program; or
- (4) The participant fails to become certified in the discipline for which the degree prepared the participant, if applicable, no later than 180 days after the date such person becomes eligible to apply for certification.
- (c) Participant fails to perform all or any part of their service obligation. (1) Participants who breach their agreements by failing to begin or complete their service obligation, for any reason, including the loss, revocation, suspension, restriction, or limitation of required certification, and other than provided for under paragraph (b) of this section, must repay the portion of all VIOMPSP funds paid to or on behalf of the participant, adjusted for the service that they provided. To calculate the unearned portion of VIOMPSP funds, subtract the number of months of obligated service rendered from the total months of obligated service owed, divide the remaining months by the total obligated service, then multiply by the total amount of VIOMPSP funds paid to or on behalf of the participant. The following formula may be used in determining the unearned portion:

A = P((t-s)/t) in which

- "A" is the amount the United States is entitled to recover;
- "P" is the amounts paid under the VIOMPSP, to or on behalf of the participant;
- "t" is the total number of months in the participant's period of obligated service; and
- "s" is the number of months of obligated service rendered.

(2) The amount that the United States is entitled to recover will be paid no later than 1 year after the date the applicant failed to begin or complete the period of obligated service, as determined by VA.

(Authority: 38 U.S.C. 7505(a), 7505(b))

§17.635 Bankruptcy.

Bankruptcy under the VIOMPSP is treated in the same manner as bankruptcy for the HPSP under §17.611.

(Authority: 38 U.S.C. 7505(c), 7505(d))

§ 17.636 Cancellation, waiver, or suspension of obligation.

Cancellation, waiver, or suspension procedures under the VIOMPSP are the same as those procedures for the HPSP under § 17.612.

(Authority: 38 U.S.C. 7505(c))

GRANTS FOR TRANSPORTATION OF VETERANS IN HIGHLY RURAL AREAS

AUTHORITY: Sec. 307, Pub. L. 111-163; 38 U.S.C. 501 and as noted in specific sections.

Source: 78 FR 19593, Apr. 2, 2013, unless otherwise noted.

§17.700 Purpose and scope.

This section establishes the Grants for Transportation of Veterans in Highly Rural Areas program. Under this program, the Department of Veterans Affairs (VA) provides grants to eligible entities to assist veterans in highly rural areas through innovative transportation services to travel to VA medical centers, and to otherwise assist in connection with the provision of VA medical care to these veterans.

(Authority: Sec. 307, Pub. L. 111-163; 38 U.S.C. 501)

§ 17.701 Definitions.

For the purposes of §§17.700–17.730 and any Notice of Fund Availability issued pursuant to such sections:

Applicant means an eligible entity that submits an application for a grant announced in a Notice of Fund Availability.

Eligible entity means:

(1) A Veterans Service Organization,

(2) A State veterans service agency. *Grantee* means an applicant that is awarded a grant under this section.

Highly rural area means an area consisting of a county or counties having a population of less than seven persons per square mile.

Notice of Fund Availability means a Notice of Fund Availability published in the FEDERAL REGISTER in accordance with §17.710.

Participant means a veteran in a highly rural area who is receiving transportation services from a grantee.

Provision of VA medical care means the provision of hospital or medical services authorized under sections 1710, 1703, and 8153 of title 38, United States Code.

State veterans service agency means the element of a State government that has responsibility for programs and activities of that government relating to veterans benefits.

Subrecipient means an entity that receives grant funds from a grantee to perform work for the grantee in the administration of all or part of the grantee's program.

Transportation services means the direct provision of transportation, or assistance with providing transportation, to travel to VA medical centers and other VA or non-VA facilities in connection with the provision of VA medical care.

Veteran means a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.

Veterans Service Organization means an organization recognized by the Secretary of Veterans Affairs for the representation of veterans under section 5902 of title 38, United States Code.

(Authority: Sec. 307, Pub. L. 111-163; 38 U.S.C. 501)

§17.702 Grants-general.

(a) One grant per highly rural area. VA may award one grant per fiscal year to a grantee for each highly rural area in which the grantee provides transportation services. Transportation services may not be simultaneously provided by more than one grantee in any single highly rural area.

- (b) *Maximum amount*. Grant amounts will be specified in the Notice of Funding Availability, but no grant will exceed \$50.000.
- (c) No matching requirement. A grantee will not be required to provide matching funds as a condition of receiving such grant.
- (d) Veterans will not be charged. Transportation services provided to veterans through utilization of a grant will be free of charge.

(Authority: Sec. 307, Pub. L. 111-163; 38 U.S.C. 501)

§ 17.703 Eligibility and application.

- (a) *Eligible entity*. The following may be awarded a grant:
 - (1) A Veterans Service Organization.
 - (2) A State veterans service agency.
- (b) Initial application. To apply for an initial grant, an applicant must submit to VA a complete grant application package, as described in the Notice of Fund Availability.
- (c) Renewal application. Grantees may apply for one renewal grant per fiscal year, after receiving an initial grant, if the grantee's program will remain substantially the same. The grantee must submit to VA a complete renewal application as described in the Notice of Fund Availability.
- (d) Subrecipients. Grantees may provide grant funds to other entities, if such entities are identified as subrecipients in grant applications to perform work for grantees in the administration of all or part of grantees' programs.

(Authority: Sec. 307, Pub. L. 111-163; 38 U.S.C. 501)

(The Office of Management and Budget has approved the information collection requirement in this section under control number 2900-0790)

§17.705 Scoring criteria and selection.

- (a) *Initial grant scoring*. Applications will be scored using the following selection criteria:
- (1) VA will award up to 40 points based on the program's plan for successful implementation, as demonstrated by the following:
- (i) Program scope is defined, and applicant has specifically indicated the mode(s) or method(s) of transportation